

TRINITY COUNTY ECONOMIC FORECAST

The Trinity County economy is contracting. In 2017 it lost a small number of jobs, representing the second consecutive year of declines. By comparison, the entire California economy created jobs at a rate of 2.0 percent.

But even though the county lost jobs, the unemployment rate improved from 7.1 percent in 2016 to 6.1 percent in 2017. How can the unemployment rate improve when jobs are being lost? Because local residents are retiring at a rapid rate. More than a quarter of the population is beyond retirement age, and as people leave the labor force, there are not enough working-age residents to replace them.

Trinity County's population has been declining for most of the last decade. Net migration has been stagnant, with an equal number of people moving into the county as those moving out. At the same time there have been more deaths than births in Trinity County, causing the population to shrink.

Over the forecast period, population growth will be minimal in Trinity County, placing the economy at risk of long-term stagnation. Stagnant economies are often characterized by subpar job creation, low income growth, and insufficient government revenues, preventing living conditions from improving and making it difficult for local governments to provide adequate services.

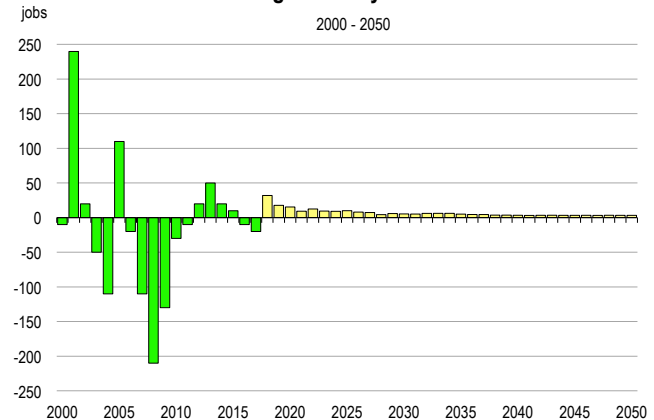
In a typical year, Trinity County produces approximately \$3 million of agricultural goods, primarily livestock, grapes, and a number of other commodities. Going forward, crop values may be influenced by the county's cannabis production. Voters have elected to legalize cannabis in California, and this could lead to higher crop values in Trinity County.

It is widely assumed that Trinity County already produces a substantial amount of cannabis, but that most is not counted in official records of agricultural production. The rate at which cannabis growers obtain permits from state and local governments, and therefore enter the legal market, will influence the official estimates of Trinity County's agricultural output (as well as agricultural employment). As of mid-2018, fewer growing permits had been issued than expected, indicating that many growers are delaying entry into the legal market, or opting not to enter the legal market at all.

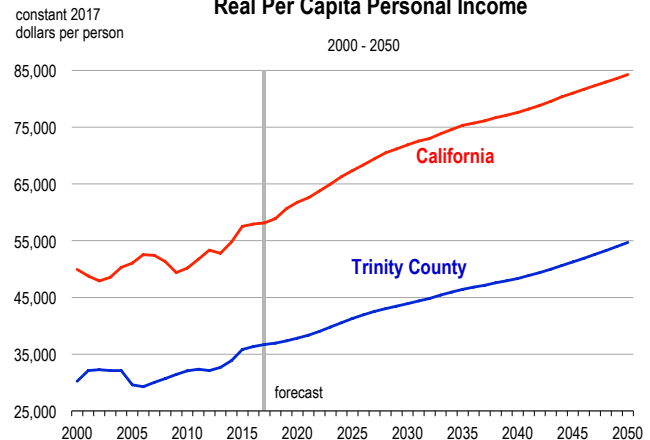
FORECAST HIGHLIGHTS

- Job growth of 1.2 percent is expected in 2018. Between 2018 and 2023, the annual growth rate will average 0.5 percent.

Total Wage & Salary Job Creation



Real Per Capita Personal Income

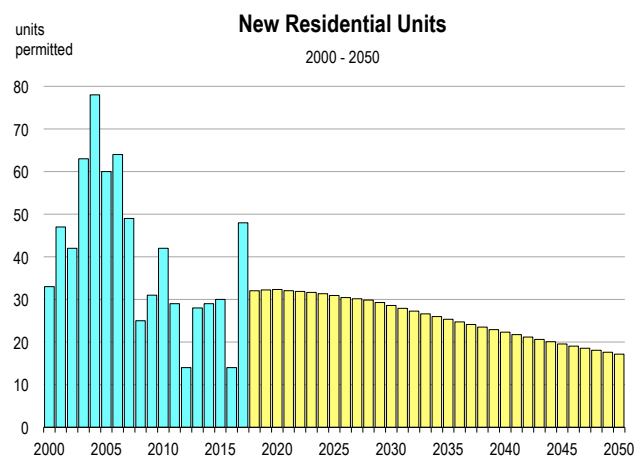
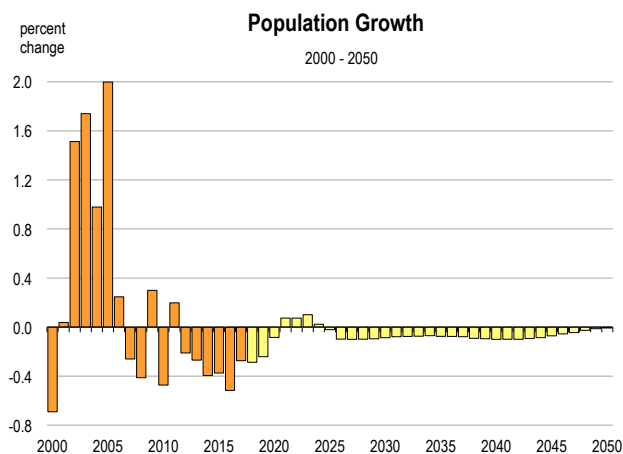


- Between 2018 and 2023, job creation will be concentrated in healthcare and education, retail trade, and manufacturing. Combined, these industries will account for 74 percent of net job creation in the county.
- Average salaries are below the California average, and will remain so over the foreseeable future. In Trinity County, inflation-adjusted salaries are expected to rise by 0.2 percent per year from 2018 to 2023, much slower than statewide growth.
- Between 2018 and 2023, an average of 30 homes will be constructed each year. Most will be single-family homes, and very few (possibly none) will be apartments.
- The population is expected to remain largely unchanged from 2018 to 2023. An average of 59 net migrants will enter the county each year, but deaths will outnumber births by 61 each year.

Trinity County Economic Forecast

2010-2017 History, 2018-2050 Forecast

	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (millions)	Unemploy- ment Rate (percent)
2010	13,706	-29	20.8	6.1	42	\$0.08	\$0.38	\$32,071	1.3	2.7	38.4	17.0
2011	13,733	73	20.6	6.1	29	\$0.08	\$0.39	\$32,348	2.7	2.7	34.9	16.7
2012	13,704	0	20.0	6.0	14	\$0.09	\$0.40	\$32,119	2.7	2.8	42.4	14.7
2013	13,667	0	20.3	5.8	28	\$0.10	\$0.41	\$32,665	2.3	3.0	46.2	12.0
2014	13,613	0	20.4	5.8	29	\$0.10	\$0.43	\$33,848	2.8	3.2	51.4	9.5
2015	13,562	0	20.7	5.8	30	\$0.11	\$0.46	\$35,842	2.6	3.5	54.9	7.8
2016	13,492	0	20.9	5.8	14	\$0.11	\$0.48	\$36,345	3.1	3.6	56.5	7.1
2017	13,455	0	20.1	5.8	48	\$0.11	\$0.49	\$36,688	3.2	3.7	56.2	6.1
2018	13,416	23	20.0	5.8	32	\$0.12	\$0.51	\$36,938	3.7	7.7	61.6	5.5
2019	13,384	31	20.0	5.8	32	\$0.13	\$0.53	\$37,339	3.1	13.5	62.3	5.2
2020	13,373	51	20.0	5.9	32	\$0.14	\$0.55	\$37,822	4.1	19.6	63.4	5.5
2021	13,382	70	20.0	5.9	32	\$0.14	\$0.58	\$38,341	3.6	25.4	65.5	5.7
2022	13,392	70	20.0	5.9	32	\$0.15	\$0.60	\$39,036	3.5	31.1	67.2	5.8
2023	13,406	75	20.0	5.9	32	\$0.15	\$0.63	\$39,784	3.4	36.6	69.2	6.0
2024	13,409	64	20.0	5.9	31	\$0.16	\$0.66	\$40,560	3.3	41.9	71.4	6.2
2025	13,406	59	20.0	5.9	31	\$0.16	\$0.69	\$41,303	3.1	46.9	73.0	6.4
2026	13,393	49	20.0	6.0	30	\$0.16	\$0.71	\$41,952	3.1	51.6	74.7	6.6
2027	13,379	49	20.0	6.0	30	\$0.17	\$0.74	\$42,525	3.0	56.2	76.5	6.7
2028	13,366	49	20.1	6.0	30	\$0.17	\$0.76	\$43,007	3.3	60.5	78.2	6.8
2029	13,353	49	20.1	6.0	29	\$0.18	\$0.79	\$43,449	3.1	64.7	80.0	6.8
2030	13,342	48	20.1	6.0	29	\$0.18	\$0.81	\$43,905	3.0	68.8	81.8	6.8
2031	13,331	48	20.1	6.1	28	\$0.18	\$0.84	\$44,399	2.9	72.8	83.7	6.9
2032	13,321	47	20.1	6.1	27	\$0.19	\$0.87	\$44,837	3.1	76.7	85.6	6.9
2033	13,311	46	20.2	6.1	27	\$0.19	\$0.89	\$45,410	2.7	80.6	87.6	6.9
2034	13,302	45	20.2	6.1	26	\$0.20	\$0.92	\$45,931	2.9	84.5	89.6	6.9
2035	13,292	45	20.2	6.1	25	\$0.20	\$0.95	\$46,430	3.0	88.4	91.6	6.9
2036	13,282	44	20.2	6.1	25	\$0.21	\$0.98	\$46,801	3.4	92.2	93.5	6.9
2037	13,271	44	20.2	6.1	24	\$0.21	\$1.02	\$47,148	3.5	95.9	95.5	6.9
2038	13,259	44	20.3	6.2	24	\$0.22	\$1.05	\$47,575	3.3	99.5	97.4	6.9
2039	13,247	43	20.3	6.2	23	\$0.22	\$1.09	\$47,942	3.5	103.2	99.4	6.9
2040	13,233	43	20.3	6.2	22	\$0.23	\$1.12	\$48,352	3.4	106.9	101.4	6.9
2041	13,220	43	20.3	6.2	22	\$0.24	\$1.16	\$48,842	3.2	110.6	103.4	6.9
2042	13,207	42	20.4	6.2	21	\$0.24	\$1.20	\$49,379	3.1	114.3	105.5	6.9
2043	13,195	42	20.4	6.2	21	\$0.25	\$1.24	\$49,964	3.0	118.0	107.6	6.9
2044	13,183	42	20.4	6.2	20	\$0.25	\$1.28	\$50,637	2.8	121.7	109.8	6.9
2045	13,174	42	20.4	6.2	20	\$0.26	\$1.32	\$51,245	3.0	125.3	112.0	6.9
2046	13,166	42	20.5	6.3	19	\$0.26	\$1.37	\$51,904	2.9	129.0	114.2	6.8
2047	13,161	41	20.5	6.3	19	\$0.27	\$1.41	\$52,574	2.9	132.7	116.5	6.8
2048	13,157	41	20.5	6.3	18	\$0.28	\$1.46	\$53,261	2.9	136.3	118.8	6.8
2049	13,155	41	20.5	6.3	18	\$0.28	\$1.51	\$53,964	2.9	140.0	121.2	6.8
2050	13,155	41	20.6	6.3	17	\$0.29	\$1.56	\$54,683	2.9	143.7	123.6	6.8

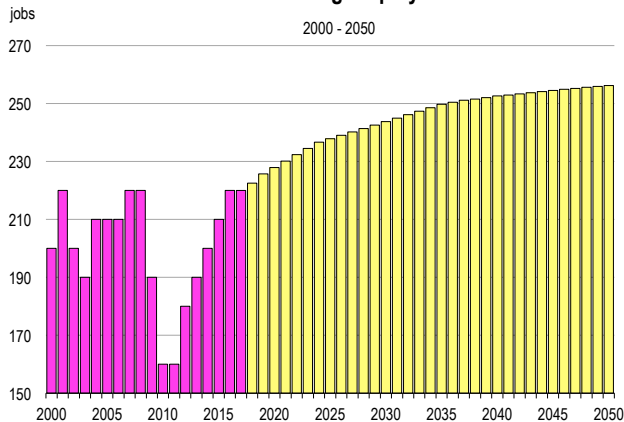


Trinity County Employment Forecast

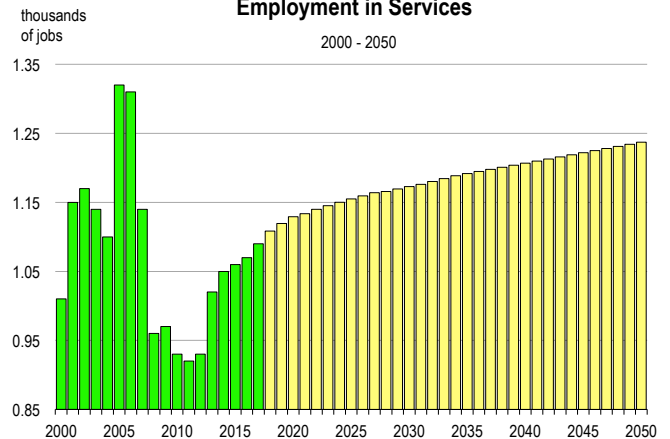
2010-2017 History, 2018-2050 Forecast

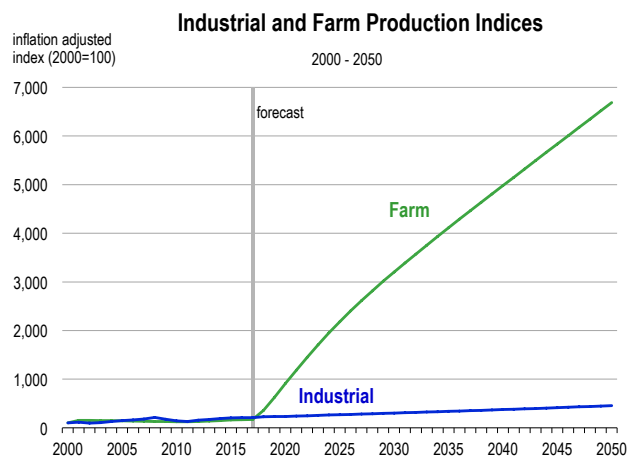
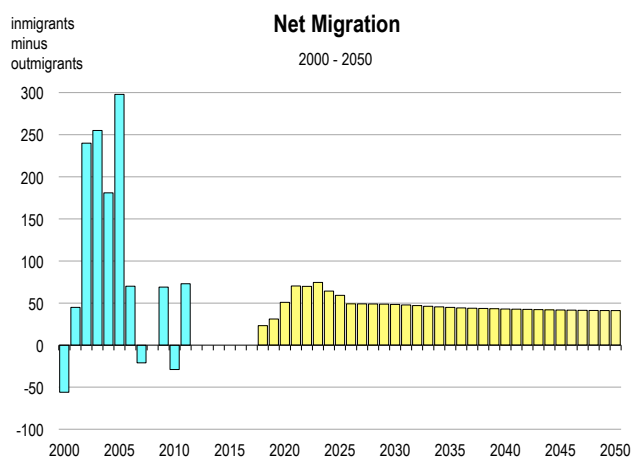
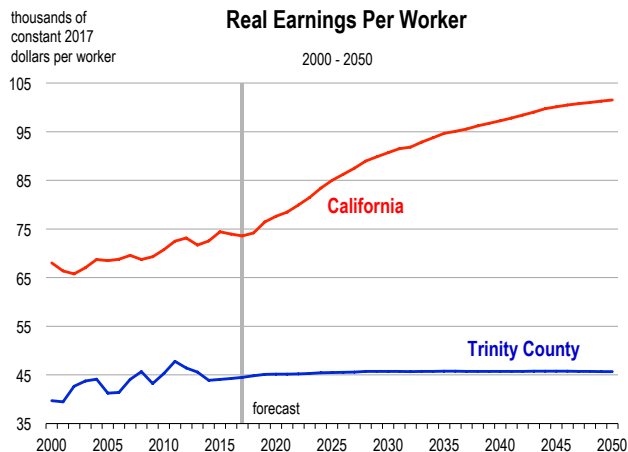
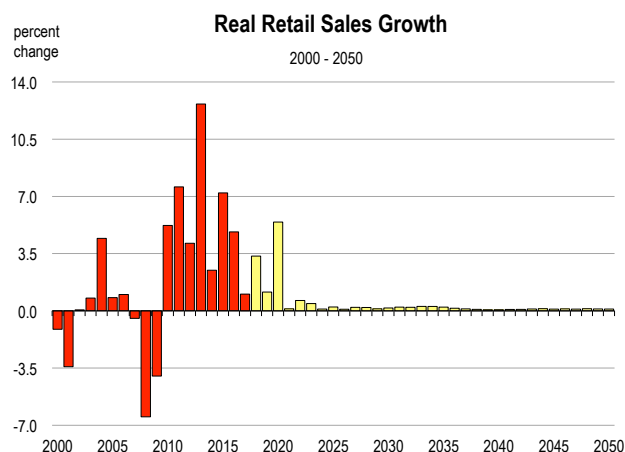
	Total Wage & Salary	Farm	Logging, Mining, & Construction	Manufacturing	Trade, Transportation, & Utilities	Financial Activities	Health & Education	Leisure	Government
	employment (thousands of jobs)								
2010	2.640	0.030	0.080	0.160	0.310	0.050	0.240	0.330	1.440
2011	2.630	0.030	0.070	0.160	0.310	0.050	0.220	0.340	1.450
2012	2.650	0.030	0.070	0.180	0.330	0.050	0.190	0.360	1.440
2013	2.700	0.030	0.080	0.190	0.370	0.050	0.260	0.340	1.380
2014	2.720	0.030	0.080	0.200	0.400	0.050	0.270	0.330	1.360
2015	2.730	0.020	0.100	0.210	0.420	0.050	0.270	0.320	1.340
2016	2.720	0.020	0.070	0.220	0.420	0.050	0.280	0.320	1.340
2017	2.700	0.010	0.080	0.220	0.430	0.050	0.270	0.340	1.300
2018	2.732	0.013	0.084	0.223	0.437	0.050	0.281	0.340	1.304
2019	2.750	0.015	0.085	0.226	0.441	0.050	0.287	0.340	1.304
2020	2.765	0.018	0.085	0.228	0.447	0.050	0.291	0.340	1.305
2021	2.774	0.021	0.085	0.230	0.448	0.050	0.294	0.340	1.305
2022	2.787	0.025	0.084	0.232	0.451	0.050	0.298	0.341	1.306
2023	2.796	0.027	0.084	0.235	0.452	0.050	0.302	0.341	1.306
2024	2.806	0.029	0.083	0.237	0.453	0.051	0.306	0.341	1.306
2025	2.816	0.032	0.083	0.238	0.455	0.051	0.309	0.341	1.308
2026	2.824	0.034	0.082	0.239	0.456	0.050	0.312	0.341	1.309
2027	2.831	0.035	0.082	0.240	0.457	0.051	0.316	0.341	1.310
2028	2.835	0.036	0.081	0.241	0.456	0.051	0.318	0.341	1.310
2029	2.841	0.037	0.081	0.243	0.457	0.051	0.321	0.341	1.311
2030	2.847	0.038	0.080	0.244	0.457	0.051	0.324	0.341	1.311
2031	2.852	0.040	0.079	0.245	0.458	0.051	0.326	0.342	1.312
2032	2.858	0.041	0.079	0.246	0.459	0.050	0.329	0.342	1.312
2033	2.864	0.042	0.078	0.247	0.460	0.050	0.332	0.342	1.312
2034	2.870	0.043	0.078	0.249	0.461	0.050	0.335	0.342	1.313
2035	2.875	0.044	0.077	0.250	0.461	0.050	0.338	0.342	1.313
2036	2.880	0.045	0.077	0.250	0.462	0.050	0.341	0.342	1.313
2037	2.884	0.046	0.076	0.251	0.462	0.050	0.343	0.342	1.313
2038	2.888	0.047	0.075	0.252	0.462	0.050	0.346	0.342	1.314
2039	2.892	0.047	0.075	0.252	0.462	0.050	0.349	0.343	1.314
2040	2.895	0.047	0.074	0.253	0.462	0.050	0.352	0.343	1.314
2041	2.898	0.047	0.074	0.253	0.462	0.050	0.355	0.343	1.314
2042	2.902	0.048	0.073	0.253	0.462	0.050	0.357	0.343	1.315
2043	2.905	0.048	0.073	0.254	0.462	0.050	0.360	0.343	1.315
2044	2.908	0.048	0.072	0.254	0.462	0.050	0.363	0.343	1.315
2045	2.912	0.048	0.072	0.255	0.462	0.050	0.366	0.343	1.315
2046	2.915	0.048	0.071	0.255	0.463	0.050	0.369	0.344	1.316
2047	2.918	0.048	0.071	0.255	0.463	0.050	0.371	0.344	1.316
2048	2.922	0.048	0.070	0.256	0.463	0.050	0.374	0.344	1.316
2049	2.925	0.049	0.070	0.256	0.463	0.050	0.377	0.344	1.317
2050	2.928	0.049	0.070	0.256	0.463	0.050	0.380	0.344	1.317

Manufacturing Employment



Employment in Services





County Economic and Demographic Indicators

Projected Economic Growth (2018-2023)

Expected retail sales growth:	7.9%
Expected job growth:	2.4%
Fastest growing jobs sector:	Health & Education
Expected personal income growth:	7.6%

Expected population growth:	-0.1%
Net migration to account for:	N/A
Expected growth in number of vehicles:	-0.2%

Demographics (2018)

Unemployment rate (April 2018):	5.8%
County rank* in California (58 counties):	40th
Working age (16-64) population:	59.4%

Population with B.A. degree or higher:	19.9%
Median home selling price (2017):	\$210,000
Median household income:	\$38,273

Quality of Life

Violent crime rate (2016):	460 per 100,000 persons
County rank* in California (58 counties):	37th
Average commute time to work (2018):	20 minutes

High school drop out rate (2017):	8.5%
Households at/below poverty line (2018):	11.7%

* The county ranked 1st corresponds to the lowest rate in California